

Direction 121 issued under Part 3 of Schedule 4 to the Legal Services Act 2007 to the Institute of Chartered Accountants in England and Wales (ICAEW)

1. This is a direction issued pursuant to paragraph 19(3) of Schedule 4 to the Legal Services Act 2007 (the Act).
2. Unless stated otherwise, words in this direction are used as they are defined in the Act.
3. In accordance with paragraph 19(3) of Schedule 4 to the Act, the Board has directed that the following alterations by ICAEW to its regulatory arrangements be treated as exempt alterations for the purposes of paragraph 19(2)(c) of Schedule 4:

Disciplinary Byelaws (as approved by the Privy Council on 11 October 2017)

Proposed changes

4. ICAEW has agreed a number of changes to its Disciplinary Byelaws. The changes that are most relevant to its role as an approved regulator (of probate activities) under the Legal Services Act 2007 are:
 - Creating a new process to enable certain minor complaints to be dealt with by way of a fixed penalty where the complaint is agreed by the respondent or respondent firm
 - Clarifying that a Reviewer of Complaints must be a “lay person”.
5. There are also a number of consequential and drafting changes that are likely to be of less significance to the exercise of ICAEW’s functions as an approved regulator.

Reason for exemption direction

6. The alterations that mostly have an impact on ICAEW members undertaking probate activities are minor and procedural and do not represent a significant shift in regulatory policy or approach.
7. The LSB has issued exemption directions in respect of two previous changes to ICAEW’s Disciplinary Byelaws and there were no outstanding concerns from these decisions.
8. A copy of the alteration was submitted to the Board on 1 February 2018.
9. This direction is to be deemed made on and to be effective from 13 February 2018.

**For and on behalf of the Legal Services Board
13 February 2018**